

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By **CHAIRMAN TOM ZOOK**, on February 24, 2003 at 10:00 A.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Sen. Tom Zook, Chairman (R)
Sen. Bill Tash, Vice Chairman (R)
Sen. Keith Bales (R)
Sen. Gregory D. Barkus (R)
Sen. Edward Butcher (R)
Sen. Mike Cooney (D)
Sen. John Esp (R)
Sen. Rick Laible (R)
Sen. Bea McCarthy (D)
Sen. Linda Nelson (D)
Sen. Debbie Shea (D)
Sen. Emily Stonington (D)
Sen. Jon Tester (D)
Sen. Joseph (Joe) Tropila (D)

Members Excused: Sen. John Cobb (R)
Sen. Royal Johnson (R)
Sen. Bob Keenan (R)
Sen. Trudi Schmidt (D)
Sen. Corey Stapleton (R)

Members Absent: None.

Staff Present: Prudence Gildroy, Committee Secretary
Taryn Purdy, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted:
Executive Action: SB 233; SB 314; SB 305
SB 89; SB 30; SB 333

EXECUTIVE ACTION ON SB 233

Motion/Vote: SEN. BILL TASH moved that SB 233 BE INDEFINITELY POSTPONED. Motion carried unanimously.

EXECUTIVE ACTION ON SB 314

SEN. BEA MCCARTHY advised the amendments address the concerns of SEN. COREY STAPLETON regarding eighteen year-olds being eligible for CHIP and the title line four and five are changed inserting 17 years of age and 175 instead of 200%.

Motion: SEN. JOE TROPILA moved SB 314.

Motion: SEN. MCCARTHY moved SB031402.atp.

SEN. MCCARTHY advised SEN. STAPLETON was in agreement with the amendment.

Vote: Motion carried unanimously.

Motion: SEN. JOHN ESP moved SB031402.atp.

SEN. ESP advised if they raise non-state funds they can fund above 150% but not with general or state special revenue.

SEN. EMILY STONINGTON advised the state is not pulling down all the federal funds available because it means committing more state general fund. She asked if the amendment includes federal matching funds.

Vote: Motion carried unanimously.

Motion/Vote: SEN. SHEA moved that SB 314 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON SB 305

SEN. STONINGTON said there is a proposed amendment so that if there is an emergency rule affecting budget projections there will have to be a short notice period and a public hearing held. The amendment can't work under the title of the bill. The options are to kill the bill and let it go this session or adopt a committee bill with a different title. She thought the proposed amendment makes it a doable bill that works for everybody, gives the public some involvement and gives the department the latitude to take action quickly to solve budget problems.

Motion: SEN. STONINGTON moved TO DRAFT A COMMITTEE BILL WITH THE AMENDMENT AND THE INTENT OF SB 305.

CHAIRMAN ZOOK advised the amendment sounded very reasonable. Within ten days, the department has to have at least one hearing. He thought the department can project past ten days. For a committee bill, 80% of the entire committee must be present.

Motion/Vote: SEN. STONINGTON moved that SB 305 BE INDEFINITELY POSTPONED. Motion carried unanimously.

EXECUTIVE ACTION ON SB 89

CHAIRMAN ZOOK advised the bill came back to the committee from the floor. The figures in the fiscal note were a ten year accumulation. It is probably more trouble than its worth to the counties.

Motion: SEN. BILL TASH moved that SB 89 DO PASS.

SEN. GREG BARKUS asked why the counties should be exempt from the state unclaimed property statutes when businesses and other institutions that issue drafts and checks that are unclaimed have to turn them over to the state.

SEN. TASH advised some of the warrants are issued for county fair activities and the recipients feel they're doing the county budget a favor by not cashing them. In other cases, people have died intestate leaving money in savings accounts or safety deposit boxes. If unclaimed, it is argued, the money is the county's to begin with and should stay with the county.

SEN. JOE TROPILA said there are small checks for chicken, sheep, pig, horse, and cow judging that haven't been cashed and are still out there. The money is in the account but the bookkeeping system is horrendous.

SEN. BARKUS asked how the counties dispose of this and if they keep it on their books in perpetuity.

SEN. TASH advised they issue warrants and if they aren't cashed, they are still in the budget. Now it has been swept into state funds in HB 124.

SEN. ESP explained what happened had very little to do with HB 124; it had to do with the legislative audit. Counties should adopt a policy to take the money back in five years if its not claimed.

SEN. BARKUS said he is familiar with the warrant process. He thought the counties should clean up their books and issue checks to those people. If people want to donate they can come back and endorse them. He did not favor passing a statute to exempt a municipality from a law that other institutions are subject to abide by.

SEN. KEITH BALES thought there was a time frame for a warrant by a county and if it is not presented for payment within a certain time, the money reverts back to the county. The county can then use it in their budgeting.

CHAIRMAN ZOOK asked how long a county warrant is good.

SEN. TROPILA advised they are all different.

CHAIRMAN ZOOK thought they should hang onto the bill and get some more information as how the transaction works and how the auditor's were able to go back ten years and find this.

SEN. MCCARTHY asked if each county is different on how long their warrants are live.

SEN. TROPILA stated as far as he knew there is no time limit on the checks because it is not on the check.

SEN. TASH advised the audit report showed some counties had pretty substantial amounts. The audits started out being very thorough and by the time they got through with all the counties they were somewhat less thorough and detailed. The completed audits for Yellowstone County showed \$51,360 assessed and they collected \$26,236.

CHAIRMAN ZOOK asked who could enlighten the committee.

SEN. TROPILA suggested **Gordon Morris, MACO**.

SEN. TASH withdrew his motion.

EXECUTIVE ACTION ON SB 30

Motion: **SEN. ESP** moved that **SB 30 DO PASS**.

CHAIRMAN ZOOK advised the bill allows for a jury trial for termination of parent/child relationships.

SEN. COONEY asserted one of the reasons the bill was brought back was for discussion on the fiscal note and the fiscal impact. He advised having some discussion or whatever they do is going to be

questioned. He heard from his county and they say the fiscal note is not on the mark; the bill will cost a tremendous amount of problems financially for counties. His information was there would be a huge fiscal impact on the counties and the fiscal note is not reflective of what is potentially more likely to happen. He stated he would vote against the motion.

CHAIRMAN ZOOK advised they were not limited to talking just about the fiscal note, but it's basically what their job is.

SEN. BARKUS spoke against the motion. He spoke with a district judge in Kalispell who felt a third to a half of all cases regarding child/parent relationships would end up in a jury trial because nobody is ever satisfied.

SEN. MCCARTHY declared she contacted the district judge in her county and they couldn't begin to put a figure on it. They thought it would be horrendous, depending on the age of the child, and didn't have any idea how much it would cost.

SEN. BALES thought in other states that have the option it is .5%, 1.3% and 1.4% of cases. If county judges think there are that many dissatisfied people and the system is so corrupt that it would be overturned by a jury trial, then the bill should be passed. He didn't think there would be near the number of people county judges are estimating. He thought it would cost close to other states.

SEN. ESP advised he served on the **Human Service Committee** and the most complaints are about parental rights and foster care. He thought it would cause the people that adjudicate those things to think a little more in depth about what they're doing and the consequences. He supported the bill.

SEN. BARKUS advised they can always appeal.

CHAIRMAN ZOOK said it was interesting that Colorado with their large population had 51 cases. He thought it was a lot more accurate fiscal note than the first one.

SEN. DEBBIE SHEA asked about unfunded mandates to counties.

SEN. JOHN COBB advised any time they pass a criminal law there is an unfunded mandate to counties.

Vote: Motion failed 8-9 with **BALES, BUTCHER, COBB, ESP, KEENAN, LAIBLE, TASH,** and **ZOOK** voting aye.

Motion/Vote: SEN. STONINGTON moved that SB 30 BE INDEFINITELY POSTPONED. Motion carried unanimously.

SEN. STONINGTON advised the committee bill would be worded, "An emergency rule that implements an administrative budget reduction must provide a ten day notice and hold at least one public hearing.

Vote: Motion carried unanimously.

EXECUTIVE ACTION ON SB 333

CHAIRMAN ZOOK asked about amendments.

SEN. RICK LAIBLE advised he talked to Gail Abercrombie and they were going to prepare some amendments because of the concern that the molecules for natural gas and coal bed methane are the same. The industry has no way to separate so they will baseline where natural gas is now and everything above that will be considered coal bed methane. He said he had not seen the amendment.

SEN. ESP indicated he wanted to see the amendment before acting on the bill.

SEN. LAIBLE withdrew his motion.

ADJOURNMENT

Adjournment: 11:30 A.M.

SEN. TOM ZOOK, Chairman

PRUDENCE GILDROY, Secretary

TZ/PG

EXHIBIT (fcs41aad)